Banks (SCBs) as on March 2006 had a total of 48.51 crore accounts, of which 13.96 crore were rural accounts. As on June 30, 2007 there were a total of 71,781 commercial bank branches in the country of which 30,633 were rural branches (42.7 per cent).

In order to facilitate opening of bank accounts by sections of the population in rural areas, the RBI has taken several initiatives to encourage banks to align their policies in order to achieve the objective of financial inclusion. In this regard, on November 11, 2005, RBI issued a circular to all SCBs advising them to make available basic banking 'no-frills' accounts either with nil or very low minimum balances as well as charges that would make such accounts affordable. The other specific initiatives taken by the RBI for increasing bank transaction in villages include; pilot projects for utilizing smart cards/mobile technology to increase banks' outreach; permission given to banks to utilize the services of non-governmental organizations/self-help groups, micro-finance institutions (other than Non-bank Financial Companies) and other civil society organizations as intermediaries in providing financial and banking services; policy initiatives to facilitate diversification of business operation of regional rural banks into new areas; agreements between banks and postal authorities for using post offices as business correspondents; constitution of State-specific Working Groups to explore possibilities of greater financial inclusion.

As per RBI data, as on December 31, 2007 Public Sector Banks, Private banks and Foreign banks had together opened 1,26,17,397 'no frills' accounts. In April 2006, RBI advised all State Level Bankers' Committee (SLBC) convenor banks to initiate action for identifying at least one district in their respective State/UT for 100 percent financial inclusion. Out of 277 districts identified, 68 districts have achieved 100% financial inclusion as on 20.02.2008. The States of Himachal Pradesh & Kerala have achieved 100% financial inclusion apart from the Union Territories of Puducherry, Daman & Diu and Dadra & Nagar Haveli.

Foreign banks in rural areas

1157. SHRI JANARDHANA POOJARY: Will the Minister of FINANCE be pleased to state:

(a) the details of nationalized, private and foreign banks operating in the country with their branches in urban, semi-urban and rural areas, their profits during the last three years, bank-wise and year-wise;

(b) whether certain foreign banks have approached the Reserve Bank of India for permission to establish branches in rural India;

(c) if so, the details and the norms for consideration of such requests; and

(d) the details of foreign banks permitted to establish branches in rural area so far and the details of such requests pending for consideration?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Statements indicating bank-wise details of number of branches of nationalised banks, private sector banks and foreign banks in rural, semi-urban, urban and metropolitan areas, as on 31st March, 2007, and details of profit of these banks during the last three years ending March 2005, 2006 and 2007 are given in Statement I and II respectively (*See* below).

(b) and (d) Reserve Bank of India (RBI) has not received any request from foreign banks for opening branches in rural areas.

(c) To provide broad framework for the foreign banks to open branch/office in India, Reserve Bank of India (RBI) has issued 'Road Map for the presence of foreign banks in India' on 28.02.2005. In the 'Road Map', it is proposed to go beyond the existing World Trade Organisation (WTO) commitment of India of 12 branches in a year for new and existing foreign banks and to follow a more liberal policy for under-banked areas. Further, in terms of its Branch Authorisation Policy, RBI, while processing the applications of the banks for opening branches, keeps various aspects in view such as nature and scope of banking facilities provided by banks to common persons particularly in under-banked areas; actual credit flow to the priority sector; pricing of products and overall efforts for promoting 'Financial Inclusion' including introduction of appropriate new products and enhanced use of technology for delivery of banking services, etc. Further, RBI also assesses the policy of the bank on minimum balance requirement, access to minimum banking or 'no-frill' banking services, commitment to basic banking activity *viz.* acceptance of deposits and provision of credit and quality of customer service, complaints against the bank and customers' grievances redressal mechanism put in place by the bank, etc.

Statement-I

Bank group, bank and population group-wise number of branches of nationalised, private and foreign banks operating in India

(As on March 31, 2007)

Bank Group	Bank Name	Rural	Semi-Urban	Urban	Metro-politan	Total
1	2	3	4	5	6	7
Nationalised Bank	Allahabad Bank	932	327	402	346	2007
	Andhra Bank	370	339	285	200	1194
	Bank of Baroda	1084	575	481	586	2726
	Bank of India	1191	503	447	497	2638
	Bank of Maharashtra	516	245	247	328	1336
	Canara Bank	717	659	594	617	2587
	Central Bank of India	1316	774	586	530	3206
	Corporation Bank	173	161	256	294	884
	Dena Bank	349	216	198	283	1046
	Indian Bank	445	362	354	275	1436
	Indian Overseas Bank	514	396	414	378	1702
	Oriental Bank of Commerce	246	277	374	334	1231
	Punjab and Sind Bank	282	123	219	204	828
	Punjab National Bank	1829	807	764	641	4041
	Syndicate Bank	639	490	526	483	2138
	Uco Bank	751	356	381	369	1857
	Union Bank of India	739	512	491	465	2207

1	2	3	4	5	6	7
	United Bank of India	610	218	248	248	1324
	Vijaya Bank	247	192	287	251	977
Nationalised Bank	**Total**	12950	7532	7554	7329	35365
Old Private Sector	Bank of Rajasthan Ltd.	99	84	134	121	438
Banks	Catholic Syrian Bank Ltd.	17	185	86	42	330
	City Union Bank Limited	31	49	54	29	163
	Federal Bank Ltd.	38	289	121	86	534
	Ing Vysya Bank Ltd.	78	76	130	108	392
	Jammu & Kashmir Bank Ltd.	203	74	110	58	445
	Karnataka Bank Ltd.	87	87	125	116	415
	Karur Vysya Bank Ltd.	30	79	97	62	268
	Lakshmi Vilas Bank Ltd.	33	83	75	42	233
	Nainital Bank Ltd.	17	19	22	22	80
	Ratnakar Bank Ltd.	24	23	16	15	78
	SBI Commercial & International Bank Ltd.	-	-	-	2	2
	South Indian Bank Ltd.	66	219	107	72	464
	Tamilnad Mercantile Bank Ltd.	49	58	50	26	183
	The Dhanalakshmi Bank Ltd.	21	80	52	28	181
Old Private Sector Banks	**Total**	793	1405	1179	829	4206
New Private	Axis Bank Limited	11	103	196	181	491
Sector Banks	Centurion Bank of Punjab Ltd.	4	58	97	116	275
	Development Credit Bank Ltd.	2	10	10	46	68
	HDFC Bank Ltd.	32	148	214	272	666
	ICICI Bank Limited	75	187	203	239	704
	Indusind Bank Ltd.	2	35	83	52	172
	Kotak Mahindra Bank Ltd.	2	18	26	63	109
	Yes Bank Ltd.	4	8	7	22	41
New Private Sector Banks	**Total**	132	567	836	991	2526
Foreign Bank	ABN Amro Bank N.V.	-	-	9	19	28
	Abu Dhabi Commercial Bank Ltd.	-	-	-	2	2
	American Express Bank Ltd.	-	-	-	8	8

1	2	3	4	5	6	7
	Antwerp Diamond Bank NV	-	-	-	1	1
	Arab Bangladesh Bank Limited.	-	-	-	1	1
	Bank International Indonesia.	-	-	-	1	1
	Bank of America N.T. and S.A.	-	-	-	5	5
	Bank of Bahrain & Kuwait B.S.C.	-	-	-	2	2
	Bank of Ceylon	-	-	-	1	1
	Bank of Nova Scotia	-	-	1	4	5
	Barclays Bank PLC	-	1	1	1	3
	BNP Paribas	-	-	-	9	9
	Calyon Bank	-	-	-	6	6
	Chinatrust Commercial Bank	-	-	-	1	1
	Cho Hung Bank	-	-	-	1	1
	Citi Bank N.A.	-	1	10	28	39
	DBS Bank Ltd.	-	-	-	2	2
	Deutsche Bank (Asia)	-	-	2	6	8
	Hongkong and Shanghai Banking Corpn. Ltd.	-	-	9	38	47
	JPmorgan Chase Bank National Association	-	-	-	1	1
	Krung Thai Bank Public Company Limited	-	-	-	1	1
	Mashreq Bank PSC	-	-	-	2	2
	Mizuho Corporate Bank Ltd.	-	-	-	2	2
	Oman International Bank S.A.O.G.	-	-	1	1	2
	Shinhan Bank	-	-	-	1	1
	Societe Generale	-	-	-	2	2
	Sonali Bank	-	-	1	1	2
	Standard Chartered bank	-	-	10	75	85
	State Bank of Mauritius Ltd.	-	-	-	3	3
	The Bank of Tokyo-Mitsubishi UFJ Ltd.	-	-	-	3	3
Foreign Banks	Total	-	2	44	228	274

SOURCE: Reserve Bank of India

NOTE:

1. Data on number of bank branches exclude administrative offices.
2. '-' Denotes 'NIL'.
3. The population classification is based on population Census 2001.

Population Classification:

a. RURAL-group includes Centres with population less than 10,000.
b SEMI-URBAN-group includes Centres with population of 10,000 and above but less than 1 lakh.
c. URBAN-group includes centres with population of 1 lakh and above but less than 10 lakhs.
d. METROPOLITAN-group includes all centres with population of 10 lakhs and above.

Statement-II

Net Profit of Nationalised, Private and Foreign Banks during the year 2005, 2006 and 2007

(Rs. in Lakh)

Bank Name	Net profit during the financial year		
	2004-05	2005-06	2006-07
1	2	3	4
Nationalised Banks			
Allahabad Bank	54179	70613	75014
Andhra Bank	52010	48550	53790
Bank of Baroda	67684	82696	102646
Bank of India	34005	70144	112317
Bank of Maharashtra	17712	5079	27184
Canara Bank	110950	134322	142081
Central Bank of India	35741	25742	49801
Corporation Bank	40217	44446	53614
Dena Bank	6100	7299	20156
Indian Bank	40849	50448	75977
Indian Overseas Bank	65136	78334	100843
Oriental Bank of Commerce	72607	55716	58081
Punjab and Sind Bank	-7106	10833	21853
Punjab National Bank	141012	143931	154008
Syndicate Bank	40290	53649	71606
UCO Bank	34565	19665	31610
Union Bank of India	71906	67518	84539
United Bank of India	30018	20457	26728
Vijaya Bank	38057	12688	33134
Private Sector Banks			
Axis Bank	33458	48508	65903
Bank of Punjab#	-6124		
Bank of Rajasthan	3501	1526	11057
Bharat Overseas Bank#	2005	557	
Catholic Syrian Bank	1066	614	1907
Centurion Bank of Punjab	2511	8780	12138

1	2	3	4
City Union Bank	4632	5637	7181
Development Credit Bank	-16291	-8526	737
Dhanalakshmi Bank	-2160	952	1614
Federal Bank	9009	22521	29273
Ganesh Bank of Kurundwad#	-597	-1070	-
HDFC Bank	66556	87078	114145
ICICI Bank	200520	254007	311022
Indusiand Bank	21015	3682	6822
ING Vysya Bank	-3818	906	8891
Jammu & Kashmir Bank	11507	17684	27449
Karnataka Bank	14715	17603	17703
Karur Vysya Bank	10534	13535	16001
Kotak Mahindra Bank	8489	11823	14137
Lakshmi Vilas Bank	334	2247	1758
Lord Krishna Bank	-2441	369	-1333
Nainital Bank	1133	1217	1776
Ratnakar Bank	-946	59	301
Sangli Bank	-3131	-2927	-33138
SBI Comm. & Intl. Bank	-1002	575	755
South Indian Bank	870	5090	10412
Tamilnad Mercantile Bank	8235	10119	10578
United Western Bank#	-9864	-10648	-
Yes Bank	-376	5532	9437
Foreign Banks			
ABN Amro Bank	19523	24168	38535
Abu Dhabi Commercial Bank	-5020	458	192
American Express Bank	1662	5294	5172
Antwerp Diamond Bank	668	783	1057
Arab Bangladesh Bank	247	287	238
Bank International Indonesia	-83	-115	502
Bank of America	8045	14456	19554
Bank of Bahrain & Kuwait	-2266	-672	-812
Bank of Ceylon	215	44	207
Bank of Nova Scotia	-1177	3167	7585

1	2	3	4
Bank of Tokyo-Mitsubishi UFJ	1058	33	5065
Barclays Bank	6248	12195	9107
BNP Paribas	1476	1907	6360
Calyon Bank	-1580	7614	8981
Chinatrust Commercial Bank	-893	-285	64
Citibank	60093	70555	90000
DBS Bank	900	1603	7411
Deutsche Bank	7718	12593	21822
Hong Kong & Shanghai Banking Corporation	33691	51492	84561
ING Bank#	-470	-	-
J P Morgan Chase Bank	4687	7293	10679
Krung Thai Bank	2	416	143
Mashreq Bank	370	374	1035
Mizuho Corporate Bank	971	480	1212
Oman International Bank	-1387	-382	-246
Shinhan Bank	578	532	597
Societe Generale	1523	1728	2214
Sonali Bank	141	51	61
Standard Chartered Bank	60159	90485	136431
State Bank of Mauritius	548	304	789
UFJ Bank#	682		-

NOTE: # Bank closed/merged

Restoration of tax exemption under section 80(P) of Income Tax Act

1158. SHRI KANJIBHAI PATEL: Will the Minister of FINANCE be pleased to state:

(a) whether Government is aware that the Association of Cooperative Banks in Gujarat, some Chambers of Commerce and Minister for Agriculture from Gujarat have represented to Government to restore the Income Tax exemption under Section 80(P) of the Income Tax Act which has been withdrawn by Government;

(b) whether Government has considered these representations; and

(c) if so, the reaction of Government thereon?